## SENATE BILL REPORT SB 5131

As Reported by Senate Committee On: Transportation, February 2, 2011

**Title**: An act relating to expanding certain public facilities eligible to be credited against the imposition of impact fees.

**Brief Description**: Expanding certain public facilities eligible to be credited against the imposition of impact fees.

**Sponsors**: Senators Haugen, King and White.

**Brief History:** 

Committee Activity: Transportation: 1/25/11, 2/02/11 [DPS].

## SENATE COMMITTEE ON TRANSPORTATION

**Majority Report**: That Substitute Senate Bill No. 5131 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; White, Vice Chair; King, Ranking Minority Member; Fain, Assistant Ranking Minority Member; Delvin, Ericksen, Hill, Hobbs, Litzow, Nelson and Swecker.

Staff: Kelly Simpson (786-7403)

**Background**: Counties, cities, and towns that are required or choose to plan under the Growth Management Act (GMA) may impose impact fees on development activity as part of the financing for public facilities needed to serve new growth and development. The impact fees (1) may only be imposed for system improvements that are reasonably related to the new development; (2) may not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and (3) must be used for system improvements that will reasonably benefit the new development. System improvements are limited to those public facilities specifically designated by a county, city, or town in its capital facilities plan that are designed to serve areas within the community at large. Generally, if a jurisdiction does not spend impact fee revenue on system improvements within six years of collection, the impact fees must be refunded.

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Jurisdictions imposing impact fees must provide a credit against the fees for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer.

**Summary of Bill**: The bill as referred to committee not considered.

**Summary of Bill (Recommended Substitute)**: Public facilities eligible to receive impact fee revenue are expanded to include transit, bicycle, and pedestrian facilities. Accordingly, if the transit, bicycle, and pedestrian facilities are included in a local jurisdiction's capital facilities plan, a credit must be provided against impact fees for improvements made towards those facilities when provided by the developer.

A local government's capital facilities plan, included in its comprehensive plan adopted under the GMA, must include public streets, roads, and transit, bicycle, and pedestrian facilities.

**Appropriation**: None.

**Fiscal Note**: Not requested.

Committee/Commission/Task Force Created: No.

**Effective Date**: Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill**: PRO: Development improvements to the local infrastructure system should receive impact fee credits.

CON: The concept of the bill is good, but concerns exist regarding the possibility of expanding impact fees.

OTHER: Stakeholders are still working on this legislation to ensure that it conforms with the original intent behind the bill, which was to provide a system beneficial to all involved.

**Persons Testifying**: PRO: Ashley Probart, Assoc. of WA Cities.

CON: Brain Minnich, North Central HBA, Spokane HBA.

OTHER: Bill Stauffacher, Building Industry Assoc. of WA; Scott Hildebrand, Master Builders Assoc., King/Snohomish Co.